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EVALUATION

Report of the Administrator

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I. INTRODUCTION

1. In February 1994 the Administrator announced his proposal to create a strategic planning function and to integrate it with the evaluation function. The new Office of Evaluation and Strategic Planning (OESP) reports directly to the Administrator. The purpose of this arrangement is to strengthen the role of evaluation as a crucial source of knowledge for enhancing the management, quality and future direction of UNDP programmes. To fulfil its core mission of promoting sustainable human development, UNDP must rapidly become a knowledge-based organization, one which is more substantive, outward looking and innovative. UNDP must continuously transform its experiences into knowledge for enriching and reinforcing organizational performance. Rigorous evaluation and distilling lessons from these extensive experiences should provide pointers for future strategies.

2. The first important task performed by the newly established office was the organization of the UNDP global meeting of senior managers held in Rye, New York in March of 1994. This meeting provided the basis for a comprehensive approach to change and identified major trends for repositioning UNDP. It refined and articulated the core mission, operational goals and strategic objectives of the organization in a participatory fashion and built the commitment essential to operationalize them. OESP also conducted an evaluation of the Rye meeting, based on participants' feedback, and produced and widely disseminated a full report on the meeting. Currently, OESP is charged with monitoring the implementation of Rye recommendations and coordinating the preparation of a quarterly update on the management of change in UNDP.

II. MAJOR EVALUATIONS IN 1994

3. Rethinking evaluation. In the light of UNDP's new strategic vision and as a result of earlier studies, most particularly the 1993 study entitled "Improving the use of feedback from evaluation findings in UNDP: A summary of issues" (see DP/1994/24, annex II). OESP has re-examined the various dimensions of the UNDP evaluation system with the intention of rethinking the UNDP approach to evaluation and learning. The conclusions of that exercise can be found in the paper "Rethinking Evaluation for Feedback, Learning and Strategy Formulation", contained in the annex to the present report. The paper not only responds to the issues raised in the 1993 study, it proposes operational steps for instituting a feedback system.

4. National technical cooperation assessment and programmes (NATCAP). In addition to being a partner in the wider NATCAP evaluation conducted by the Bureau for Programme Policy and Support (BPPS), OESP initiated a complementary evaluation of the NATCAP experience in Guinea. Since its introduction in 1986 as a process aimed at strengthening technical cooperation resources, management and planning by recipient Governments, the NATCAP modality has undergone gradual refinements in its institutional structure and process as a result of evaluations. Although NATCAP began without a coherent strategy and with a heavy reliance on external inputs, the current generation of NATCAP countries have evolved to a point where there is substantial national content with increased

reliance on in-country task forces. International consultants act as mobilizers in support of local consultants who report to these task forces.

5. With the growing concern that aid resources be efficiently managed, aid coordination has been a basic preoccupation for donors and recipients alike. During the extensive use of the NATCAP modality, questions have been raised on its impact and donor acceptance of it as a tool for assessing technical cooperation requirements, programming resources, and coordinating aid. Guinea's experience, as one of the most advanced NATCAP countries, provides guidance to Governments and donors on how to formulate and proceed with technical cooperation and aid coordination policies. In addition, the evaluation examines the crucial issues of national ownership, national capacity-building and overall sustainability. The main findings affirm that the NATCAP mechanism is an effective tool to assess both current requirements and future planning but suggest that they would be more beneficial if concentrated at the sectoral level. The evaluation recommends that the focus of the process should be more on assessing current strengths and potential and building the requirements around these rather than focusing on identifying gaps. It further recommends that national capacity-building to sustain the process should be a priority from the beginning.

6. Resident coordinator function. In view of the challenging international context marked by countries in transition, ethnic conflicts, increase in refugees, acute complex developmental need and humanitarian assistance, the role of the resident coordinator - to lead a strong, integrated, effective team at the country level - has become even more crucial. UNDP is fully committed to supporting the role of the resident coordinator. In order to be fully aware of the requirements for this function, to find ways and means to strengthen it and be able to assess performance objectively, OESP has been requested to initiate a review of the function focusing on the diverse role of the resident coordinator, the assessment of the current situation, the coordination instruments, success criteria and the support structure required. The process began with a desk review in 1994. This will be followed in 1995 by six country case-studies, funded by the Government of Switzerland, which will identify the basic elements of success within different scenarios. The preliminary desk report confirms the emergence of a degree of coherence at the country level and points to discernible progress and clear results in mobilizing, managing and coordinating country-level arrangements. In recent years, UNDP has supported the resident coordinator system through the allocation of its own resources, through training, and through emphasizing the role of the resident coordinator at its global and regional meetings. The full evaluation findings will provide insights and inputs for the development of an efficient support structure for effective performance of the resident coordinator.

7. National execution. National execution became one of the main modalities of programme execution during the fifth cycle, accounting for 63 per cent of total number of approvals in 1993. This trend has reactivated concerns already expressed by donors and United Nations specialized agencies about the utilization of the United Nations development system's comparative advantage. OESP is currently evaluating this modality to address further the issues of capacity-building, self-reliance, accountability and the optimal use of United Nations system expertise.

8. The process undertaken in the evaluation began in 1994 with the pretesting of an operational framework in two country offices as well as the formulation and distribution of a questionnaire to all resident representatives, Governments and United Nations agencies. Nine country visits are planned in the first half of 1995. The final report will be available in June 1995. The evaluation is expected to provide senior management with information on the latest developments and trends in the use of national execution and to make operational recommendations for the future.

III. EVALUATION METHODOLOGY

9. Participatory evaluation. During 1994, OESP efforts were directed to piloting the application of an approach to participatory evaluation. The involvement of direct project beneficiaries in providing feedback on their perception of project performance is gaining currency as an effective method of evaluation. The basic premise of this approach is the conceptualization of evaluation as a process of mutual learning. To demonstrate the feasibility of such an approach within UNDP, OESP initiated a participatory evaluation of a project providing improved drinking water to 44,000 low-income people in rural Swaziland. The evaluation involved end-users in delineating the concerns and issues for evaluation and the stakeholders in shaping the final outcomes.

10. The results of the process and the final evaluation report provided important insights and lessons to both the Government and UNDP, which will be drawn upon for the forthcoming mid-term-review of the country programme as well as for the water-sector management study. This participatory process also encouraged the pooling of ideas, knowledge and experience from a wide spectrum of people connected with the project. It provided a base for intersectoral and inter-agency collaboration among Government agencies, non-governmental organizations (NGOs) and traditional leaders that was considered to be of particular value in the formulation of policy recommendations on the water sector. Finally, it provided UNDP with an organized methodology for distilling the perceptions of the beneficiaries and for focusing on the questions and issues most relevant to them. OESP captured the key elements of this participatory evaluation in a three-part case-study that has been pilot tested for use as a training module. After a few more test cases, the methodology will be converted to a package for generic use.

11. Programme impact performance assessment (PIPA). In collaboration with the UNDP office in Viet Nam, OESP has successfully introduced and pilot tested the basic concepts underlying the programme impact performance assessment (PIPA). This initiative is aimed at improving the quality and effectiveness of UNDP programmes, and at the same time, increasing the accountability and transparency of its activities. PIPA is intended to assist the country offices and the headquarters units to become more results-oriented, to assess their performance on a systematic basis, and to base their decision-making on results achieved. It calls for the selection of clear, measurable objectives; a thorough examination of the cause and effect relationships between objectives and inputs; the identification of measurable performance indicators for each objective; the collection and periodic review of performance data associated with each indicator; and the use of performance information in decision-making on a

regular basis. In 1995, PIPA will be further refined and implemented in several centres of experimentation throughout UNDP. Generous support from the Government of Canada was made available to launch the pilot testing of this PIPA initiative.

12. Country programme evaluation. The draft country programme guidelines were formulated in 1993 based on the evaluation experience of the Myanmar programme. With the objective of refining them further through a series of field tests, in October 1994, OESP conducted an evaluation of the fifth country programme for Sri Lanka (1992-1996). This was the first time the guidelines had been put to practical use. The evaluation provided insights at two levels. At a substantive level, it provided a useful input to the mid-term review process of the country programme through an objective assessment of the impact of the programme. The recommendations reconfirmed the relevance of the programme themes of poverty, human development and environment while pointing to UNDP limitations in stimulating the market economy and supporting public sector management. The report recommended four main areas of future focus at the macro level: advising on social objectives and the efficient handling of the economy; creating productive employment; revamping the agriculture sector; and strengthening the national database to measure social progress. It also recommended that more UNDP resources should be channelled to projects at the micro-level to support these macro-level strategies. Overall, the report acknowledged the high visibility, programme coverage and impact of UNDP. The follow-up to these substantive findings and recommendations is being initiated and managed by the country office and the Regional Bureau for Asia and the Pacific through their programme management actions.

13. At the methodological level, the evaluation recommended certain changes in the guidelines. More specifically, it highlighted the need for a precise framework for assessing programme impact and relevance. Based on three more field tests to be completed by the end of 1995, the guidelines will be refined and issued for application throughout UNDP.

IV. BUILDING NATIONAL CAPACITY FOR MONITORING AND EVALUATION

14. Measurement of the effectiveness of national development programmes is a growing concern in developing countries. The decline in development resources has provided a compelling case for effective and judicious use of available resources through the use of effective monitoring and evaluation.

15. To assist in the task of raising the management capacities of member countries, the former Central Evaluation Office (CEO) has, since 1985, studied the monitoring and evaluation practices in a number of developing countries to help in building an awareness of its importance. This experience has been captured in a monograph series. The country monographs have contributed to the strengthening of capacity in monitoring and evaluation by highlighting the strengths and weaknesses of national systems and presenting recommendations for improvements. Three country monographs on Paraguay, Jordan and United Arab Emirates were completed in 1994. This brings the total number of such country studies to 17. In addition, a study on generic issues of monitoring and evaluation was circulated in early 1994. All studies conclude that the key

factors determining the effectiveness of a monitoring and evaluation system include: political support; economic and political stability; quality of governance; common standards for measuring efficiency of performance; information technology; and reporting and feedback system. However, the initial findings of the review (1994) of the contribution of these studies to awareness-building and strengthening capacity in programme countries recommended the need for major changes in focus, structure and timeliness in order to make them more effective instruments for building and strengthening monitoring and evaluation capacity in programme countries.

V. OUTREACH AND SUPPORT ACTIVITIES

16. Inter-Agency Working Group (IAWG) on Evaluation. The IAWG, chaired by UNDP, met in Geneva on 17-18 October 1994. The agenda included the following items: review of the functioning of IAWG; role of United Nations agencies in evaluation; feedback; programme approach; and harmonization. The IAWG review reflected general satisfaction with the informal consultative character of IAWG and the relevance of topics but mentioned scope for improvement in effectiveness, substantive contribution and cooperation within the group. UNDP was requested to continue to chair the group and act as the secretariat. The study on improving the use of feedback (see DP/1994/24, annex II) presented by UNDP was well received and the findings were considered relevant to all agencies. UNDP was requested to provide information on the follow-up development to feedback. IAWG identified performance measurement, capacity-building and mainstreaming gender as the three priorities for its 1995 joint work programme.

17. Harmonization. Within the Joint Consultative Group on Policy (JCGP) subgroup on harmonization, the working group on evaluation presented its final paper to the JCGP on concepts and definitions. The paper was endorsed by all JCGP agencies. Also to be initiated in 1995 under the coordination of OESP supported by the United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA), the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP) is the work on producing a harmonized set of guiding principles for monitoring and evaluation of programme and projects. The work will complement the initiative of the Administrative Committee on Coordination (ACC) panel on monitoring and evaluation to harmonize evaluation on specific thematic area such as gender in development.

18. Development Assistance Committee (DAC). OESP is participating in the evaluation of emergency assistance to Rwanda initiated by members of the DAC. The main objective of the evaluation (consisting of four specific studies) is to draw relevant lessons for future complex emergencies. Upon request from the DAC Expert Group on Evaluation, UNDP will also take the lead in the evaluation of capacity-building in partnership with the World Bank.

19. Support to in-house evaluation. The details of all project- and programme-level evaluations carried out by country offices and headquarter units are being made available to the Executive Board in a conference room paper on statistical analysis. OESP has provided inputs and technical support to a number of these in-house evaluation exercises carried out by other units. The support provided

is in the form of methodological guidance; assistance in preparing the framework and terms of reference for evaluations; briefing consultant evaluators on UNDP quality requirements; commenting on draft reports; and incorporating evaluation reports into the database. Inputs were provided for the evaluation of the Special Programme Resources (SPR) categories of: poverty alleviation; environment; management development; technical cooperation among developing countries; gender in development; aid coordination and NATCAPs; and Special Plan of Economic Assistance to Central America (C-2).

VI. OTHER EVALUATIONS

20. United Nations Capital Development Fund (UNCDF). In 1994, UNCDF completed three final evaluations, one thematic review of participatory approaches in small-scale irrigation, and a joint evaluation with UNDP of the Partners-in-Development Programme. Several initiatives were launched to strengthen current monitoring and evaluation practices and to enable more systematic assessment of corporate performance relating to new programming themes of decentralization and participation. These initiatives include: (a) review of existing baseline data and their current use in project evaluation; (b) development of a standard baseline survey format for integration into the project formulation process; (c) preparation of standardized evaluation terms of reference by sector to ensure more uniform collection of evaluation data and to allow for easier comparison across projects; and (d) preliminary development of key performance indicators by sector and theme, to be pilot tested for final integration into the project preparation process.

21. United Nations Development Fund for Women (UNIFEM). Among the variety of evaluation activities carried out in 1994, the most significant was "Impact Measurement Indicators Exercise". A participatory methodology for assessing the impact of development intervention on women was tested in Latin America, Africa and Asia and a preliminary set of indicators for measuring empowerment was developed. UNIFEM also sponsored a global training workshop in participatory evaluation techniques for professional women from 17 countries. The workshop provided training in techniques that facilitate the incorporation of a gender perspective into the monitoring and evaluation process. An in-house bulletin disseminates the information and insights generated through various evaluations.

22. United Nations Sudano-Sahelian Office (UNSO). Two UNSO projects were evaluated in 1994. The first in Northern Sudan was entitled "Restocking of the Gumbelt for Desertification Control in Northern Darfur (SUD/88/X05)". This joint evaluation carried out by the Sudanese Government, the Netherlands and UNSO concluded that the projects had successfully built the necessary capacity. The other evaluation of a project for "Management of Natural Resources and Desertification Control" in Djibouti noted the positive achievement of community participation in organizing and managing the work and resources. The evaluation recommended a future phase to incorporate the reinforcement of revenue-producing activities and the participation of beneficiaries in decision-making.

Annex

RETHINKING EVALUATION FOR FEEDBACK, LEARNING AND STRATEGY FORMULATION

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I. INTRODUCTION

1. The Office of Evaluation and Strategic Planning (OESP) has been engaged, since its establishment in 1994, in a comprehensive exercise of rethinking the function and structure of evaluation in UNDP. This constitutes a basis for guiding programme direction; monitoring programme effectiveness and impact; contributing to the growth of a learning culture within the organization; and, through evaluation, supporting the Administrator in assuming his responsibilities for accountability. In doing so, OESP has built on the lessons drawn by the former Central Evaluation Office (CEO) through the major reviews undertaken: the CEO Strategic Management Review in 1990, the Statistical Analysis in 1992; and the Feedback study in 1993. The results of these studies have already been reported to and endorsed by the Executive Board.

2. The first review stressed the need for a shift from project evaluation to process, programme, strategy and policy evaluation. The second and third review proposed several far-reaching recommendations for action to reassess evaluation and feedback and to introduce a dynamic "learning culture" throughout the organization. a/

The Feedback Study recommended three priority areas for consideration:

(a) Using evaluation for learning lessons on development;

(b) Establishing a feedback system in UNDP;

(c) Strengthening national capacity for evaluation among UNDP's partner Governments.

3. These have been actively considered by UNDP within the broad framework of a strategic management initiative aimed at harmonizing three distinct components of UNDP programming: strategic planning - addressing its basic mission and strategies; operational planning - focusing on means of achieving results; and results management - analysing, through monitoring, review and evaluation, real performance against stated plans.

4. Numerous actions have been carried out, or are in progress in the follow-up to this initiative, which could have a significant impact on the efficiency and quality of UNDP's output and support to development. Re-examining the function and place of the evaluation system within UNDP is central to this process.

5. The purpose of the present document is to:

(a) Restate the case for evaluation as a pivotal function of programme management for sustainable development;

(b) Reconsider key concepts, issues and strategies in strengthening evaluation within UNDP as a tool for development;

(c) Review the specific actions undertaken or in progress in rethinking evaluation in UNDP's planning and operational systems;

(d) Indicate the principal activities to be undertaken or proposed for the immediate future that advance the objective of strengthening the learning and management culture at UNDP.

II. RESTATING THE CASE FOR EVALUATION IN DEVELOPMENT ASSISTANCE

A. Crisis in development: Questioning development assistance

6. Changes in the global community in the past decade have brought about improvements in the standards of living for some countries and for some segments of the population in many other countries of the developing world. Primary and secondary school enrolment, notably among women, has risen considerably. Increased numbers of people have access to health and sanitation services, infant mortality has declined and life expectancy, social well-being and average per capita incomes have increased.

7. These positive trends are not, however, shared among all developing countries, nor even among all the population of the industrialized nations. At the global level, a significant number of the inhabitants of our planet continue to be chronically poor; nearly 35 per cent of the adult population are still illiterate, two thirds of whom are women; 30 per cent of school age children do not complete primary school; over 40 per cent in the developing countries are without basic services. In most countries of sub-Saharan Africa, per capita income has dropped to the level of the 1970s.

8. At the same time there is a growing sense of crisis with respect to development strategies that has provoked many traditional donors to question the concept of "resource transfers". It is reflected in reduced commitment to providing international assistance to developing countries and a call for measurable evidence of development impact from programmes.

9. In the climate of doubt and lack of confidence about the role and results of international assistance, the value and effectiveness of traditional development programmes is seriously questioned. These doubts become more critical as donor countries face mounting domestic demands for economic support from their own disadvantaged. Development organizations, bilateral as well as multilateral, face a major challenge to demonstrate that official development assistance (ODA) to support projects and programmes in developing countries can be an effective instrument to eliminate poverty and promote self-sustaining development. This in turn directly challenges the function of evaluation to contribute to the formulation of responses to fundamental questions about the impact of technical cooperation activities and their contribution to sustainable development.

B. A development challenge: Reassessing programme and project evaluation

10. As a major actor in international development, UNDP is part of this debate and must address the issue of how to make its own contribution more relevant and effective. A large part of the support to UNDP is for strengthening the human, institutional and economic infrastructure among its partner countries to enable them to sustain their development efforts.

11. However, as a result of its multiplicity of roles within the United Nations system, UNDP also has a diverse clientele, often with contradictory demands. In the face of this complexity, UNDP has an urgent requirement to re-examine not only its own approaches to evaluation but the critical role of evaluation itself. This must be done as part of a broader process of institutional adjustment which involves the organization to deliver better quality services to its multiple clients. The evaluation function is challenged to generate data that allows for cumulative learning which, in turn, contribute to better designed programmes, improved management of the development products and a better assessment of their impact on the poor.

III. EVALUATING DEVELOPMENT IMPACT: TRENDS AND ISSUES IN UNDP

A. UNDP: A broker for development cooperation

12. UNDP was perceived from the outset primarily as a broker of funding and technical cooperation to support developing countries. In this context, UNDP's major responsibility was to account to Governments for the activities conducted. However, the reality of its relations with partner Governments has led to a gradual evolution of UNDP's role in the development of programmes and projects. Four stages of this evolution of programme and project accountability can be identified:

(a) Limited role for UNDP in project/programme design

The organization initially had a limited role in programme development and virtually none in implementing the projects for which it provided resources. This was carried out in the main by the specialized agencies, in conjunction with national authorities.

As a fiscal intermediary, UNDP was expected to have the responsibility of accounting for the effective use of funds, while the primary responsibility of assessing the results of programmes lay with the executing agencies;

(b) Joint design and monitoring of projects/programmes

The growth in the number of developing countries in the 1970s, and the increased need to assist Governments to provide intersectoral coordination among projects, brought to UNDP greater responsibility for the design of national development programmes and vested in the organization the

responsibility for assessing the impact of individual projects within the framework of development plans.

A complex system of accountability emerged, in which UNDP continued to assume fiscal and reporting responsibilities and shared the monitoring and evaluation of projects with its partners: the beneficiary Government and the executing agency. The three agents established a tripartite system, which became the principal mode of project monitoring. Tripartite reviews monitored the results of projects on an annual basis - and made recommendations for mid-stream adjustments - as well as at the termination of the project. Evaluation for learning and feedback was not the major purpose of the review system;

(c) Towards responsibility for project/programme evaluation

UNDP expanded its role in evaluating project results when it introduced, in 1977, the Projects and Programmes Manual to enable more systematic review of results and to begin to build a capability for examining the lessons from project evaluation. Its main purpose, however, was to establish rules and procedures related to the functioning of the project cycle. In effect, it did little to promote lessons from the projects evaluated and even less to provide systematic feedback from project experiences, even successful ones.

The Manual has been periodically revised and updated, but will now need to be reviewed to reflect the thrust of programme evaluation towards feedback for learning and strategic management that is currently being introduced.

In it decision 83/12 of 24 June 1983, the Governing Council endorsed the decision of the Administrator to establish a central evaluation unit, which later became the Central Evaluation Office. These steps allowed an integrated approach towards evaluation in UNDP;

(d) Evaluation for learning and strategic management

The challenges of today make it imperative for UNDP to re-examine the broader functions of evaluation and learning in its programmes. Beyond assessing the results and impact of individual projects, evaluation is also required to produce reliable information to inform the strategy formulation and to assist in decision-making within UNDP and among partner Governments.

Evaluation should be expected to link policy analysis and the formulation of policy options, and consequently decisions about budget planning and priorities in allocating resources. It should contribute to improved management of programmes, and to constant strategic reassessment of the organization's mission and activities.

B. National management, partnership and participation in programmes and projects

13. Since 1976 UNDP has decentralized, to a considerable degree, its programme planning and operations, and in so doing established a modality of national execution of programmes. This approach aims to reconfirm that national partners are both responsible for and the owner of the development programme, thereby generating greater accountability on their part for the implementation and the results of projects. National execution is based on the specific needs and capabilities of countries as determined by themselves while at the same time enabling national executing agents to continue to have access to the expertise of the United Nations system. Additional support is provided to build and strengthen national capability for the planning, implementation and execution of programmes and projects.

14. Evaluation in the context of national execution provides an opportunity for Governments and UNDP to review closely the extent to which national ownership of programme management is taking place. Evaluation enables institutional learning from specific programmes that may serve to inform programme design in other regions.

15. National execution also facilitates the growth of a more genuine sense of participation. It revitalizes the relationship between donor and recipient country into a partnership, converting the national institutions from passive "clients" into active "stakeholders", and transforms target communities of "beneficiaries" into more dynamic "partners" in the process involving them. It is known that communities in developing countries, far from being inherently resistant to changes, are open to change when they perceive gains and access to the means to integrate and manage change within their cultural practices and value systems.

16. Participation contributes to the improvement of the design of programmes and projects, by enabling national Governments and UNDP to:

(a) Identify and avoid risks and mistakes perceived by the communities, yet not always evident to others;

(b) Involve beneficiaries in setting meaningful macro-objectives and programme goals as well as benchmarks in the progress towards them;

(c) To integrate new knowledge into traditional systems;

(d) Promote, among all actors, a fuller commitment to the goals of the project and to provoke local agents and communities into providing new, and at times unexpected, resources for the project;

(e) Generate a high level of expectation from the project, stimulate keener interest in its results and push for a fuller acceptance of accountability for the outcomes;

(f) Facilitate more direct and relevant learning from the project, enabling more effective integration of feedback into new programmes, as well as adjustments to current activities.

17. Participation of all the actors engaged in development programmes, be they Governments and institutions of the public sector, non-governmental organizations (NGOs) or grass-roots communities, is essential at all stages of the process. This implies their active involvement from the conceptualization of projects, through the formulation and implementation of programmes, to the evaluation of results.

IV. CURRENT SYSTEM OF EVALUATION AND PROGRAMME PLANNING IN UNDP

A. Conducting evaluation in UNDP: A critical review

18. Evaluation in UNDP has generally tended to serve the functions of impact and budget review; monitoring and assessing project performance; determining whether to continue or terminate the project; or identifying short-term corrective measures to meet project objectives. In the first case, considerable attention is paid to the mechanisms of operations management, and the degree of compliance with procedures performance by executing agencies and national Governments. In the second case, the main thrust has generally been to review the actual performance of the project in relation to the established goals and plan of work. However, much less attention is usually given to evaluating the results in relation to the original design premises, or in assessing the impact of project results on the communities.

19. In the absence of impact measures, evaluators have difficulty in distinguishing objective results from subjective impressions. Projects usually have not incorporated agreed benchmarks and standards of performance into the initial design against which to assess effective results. Moreover, qualitative conclusions about the results of projects often have an inadequate quantitative base to sustain judgement. In this system, the usefulness of the evaluation depends largely on the experience, skills and commitment of the evaluators. It is not uncommon for both Governments and UNDP to have reservations about conclusions reached about the su cess, or failure, of the project, based on the results observed and the judgments reached by evaluation teams.

20. In large measure, UNDP's operational systems have supported the following approach to project evaluation:

(a) Evaluations are conducted through the use of external consultants, who assumed the primary responsibility for their findings and recommendations;

(b) Consultant missions, of two to three weeks duration, are generally considered too brief to be exhaustive. The principal focus is on the goals, and usually does not enable an assessment of impact on the beneficiary communities;

(c) There is little inducement for UNDP to generate learning from experiences and consequently to integrate lessons into project design;

(d) National partners display little interest or give low priority to using feedback in their own development planning. Often they do not have institutional capability for project evaluation and consequently for learning from their experiences.

21. In this environment, there has been within UNDP little sense of "ownership" and direct responsibility for the evaluation process, along with a measure of resistance against creating an institutional culture of learning.

22. In a seminar on assessing and improving performance assessment conducted jointly by OESP and the UNDP country office in Viet Nam it was observed that at the present time the primary focus in UNDP monitoring and evaluation processes and reports is on the completion of activities and the production of "outputs" and that reports generally lack the kind of data that provide an objective or independent basis for determining whether objectives at this level have been achieved.

23. It was concluded that the characteristics of UNDP systems that appear to explain the lack of impact information include:

(a) Objectives do not clearly define intended results;

(b) Hypothesized cause and effect relationships are not consistently articulated;

(c) There is no agreed-upon basis for making judgments about impact;

(d) The data required to determine whether results are being achieved are not being collected;

(e) Annual reviews focus almost exclusively on the status of activities and performance at the "output" level of a project or programme;

(f) Insufficient information is gathered during the life of a UNDP-supported effort to make decisions about whether the achievement of planned "outputs" is still appropriate, given changing circumstances in the country, or sufficient to bring about the desired impacts;

(g) Mid-term, terminal and ex-post evaluations lack much of the information that is needed to reach conclusions about programme or project impact.

24. A survey conducted in UNDP in 1992 revealed that a significant proportion of programme staff (56 per cent) spend less than 20 per cent of their time on monitoring and evaluation functions, or learning from experiences, which, given the nature of UNDP's operations, is inadequate. b/ Evaluation and feedback are first and foremost substantive responsibilities that rest with programme staff. But learning cannot happen if people do not want to learn and if there is little incentive to do so. UNDP must foster a palpable desire to evaluate among programmes and encourage a continuous awareness of outcomes and consequences right from the design stage of the programme cycle.

25. At headquarters, there is little compulsion to use data and lessons from actual evaluations in the formulation of annual programme evaluation plans. Among the country offices, the survey report suggests that there is greater propensity to use this information but it is also more likely that such lessons are not readily known by or available to programme personnel. The feedback questionnaire cited 25 sources of feedback information on development projects, including 18 made available by headquarters. Only 28.5 per cent of these were known to the average country office. In fact, governmental and other United Nations agency documents were more frequently consulted than UNDP materials.

26. The operational guide for consultants on the UNDP evaluation system is a detailed document that provides useful references. c/ This document serves as the primary source of evaluation data stored in UNDP's computerized database, managed by OESP. Consequently, it is one of the principal sources of institutional and systematic learning for the organization on programme and project results.

27. The guidelines cover diverse aspects of the execution of the project, and specifically request evaluators to indicate lessons learned that might be applied to other projects and programmes. However, coming at the tail end of a major series of tasks and observations related to performance of the specific project under review, it is not uncommon for evaluators either to neglect this section altogether or give little attention to it. UNDP and partner Governments are often unable to maximize the opportunity to learn from these activities which, considering the large number of projects evaluated, cumulatively represent a significant storehouse of data and a potential source of lessons on programmes and their impact on development.

28. Every effort must be made to enhance UNDP capacity to draw relevant lessons from a review of a significant sample of evaluation reports already recorded in the database, the value of which was clearly demonstrated during the "Feedback Study" published by the former CEO.

B. Reviewing formulation and performance assessment of programmes and projects

29. Evaluating the performance of programmes and projects and assessing their contribution to the development goals and objectives of a partner country calls for systematic review of evaluation as it is now understood and conducted. Such a review requires focusing on gaps and weaknesses in the design of programmes and projects, as well as in the operating procedures and guidelines for monitoring, evaluating and reporting on results and impact. It also implies developing both an institutional learning culture and individual staff commitment in all parts of the organization.

30. Revision of the evaluation system requires focusing most notably on the following six areas:

(a) Measuring performance

Performance measurement is related to assessing the contributions of a project in achieving specific and measurable goals and targets. Performance measures need to be addressed at the design stage, as well as in the implementation of a project. Initial baseline data and benchmarks, against which actual results can be assessed, must be incorporated into the design and work plan. The initial conceptualization and formulation of a project should facilitate the specification of issues to be addressed and what measurable results can be achieved;

(b) Assessing impact

The true value of a project to the community in which it has been implemented can only be measured by the actual impact it has had on the current and future community and the present and future environment. Often it is difficult to assess this until long after project activities have ended. This demonstrates the importance of ex-post evaluation in impact assessment. Evaluators must be able to trace cause and effect linkages between the impact observed and the project activity, and to understand the mix of inputs and other factors, including non-programmed factors, that led to the ultimate impact on the community;

(c) Determining national capacity and sustainability

In assessing the long-term contribution of project activity, it is critical for evaluators to examine the capability of the partners to sustain the results of the project; to note constraints to sustainability, and to identify local institutions that need strengthening. National capacity assessment involves not only the public sector, but a wide range of relevant sectors of the civil society who have a stake in the results of the project. d/ Indicators may be tangible, such as the provision of permanent public sector support or institutions in the community. At times, however, indicators may be quite abstract: for instance, the degree of integration of new technologies into the culture; the dynamism in creating community organizations to carry forward the goals of the project; or the broad-based social and economic changes at work;

(d) Overseeing the decentralized monitoring and evaluation system

The decentralized monitoring and evaluation system in UNDP has demonstrated its value. However, it is important to ensure compliance with the rules and to apply existing rules for greater accountability by those who have received delegation of authority. This is particularly important in the context of the programme approach, national execution and the delegation of authority to the country offices. The recent comments of the External Auditors on this issue are relevant;

(e) Ensuring improved linkages between formulation and evaluation

It is important that formulation and evaluation be closely related. There are three reasons for this: to be sure that the design stage identifies the stakeholders and their expectations in order to be able to evaluate later to what extent expectations were met; to install the basic tools (baseline data, benchmarks, etc.) that support an effective monitoring and evaluation system; and to provide the appropriate mechanism of feedback lessons from experience;

(f) Reinforcing the monitoring system as a management tool

UNDP's initial role as a funding agency and its reliance on executing agencies for providing technical contributions has developed an input-oriented system. The new orientations on substantive issues, the use of the programme approach and national execution modality and the expansion of cost-sharing have created the need for a more effective monitoring system. OESP has a lead role to play in the efforts to revisit and adapt the current system to the new challenges.

31. It is the function of cumulative learning provided by evaluation to contribute to ongoing review of project design and to the improvement of prospects for sustainable human development. A more effective climate and system of learning and feedback are essential for quality programme and project design and for the nature of UNDP development support, more generally. In designing an improved system, UNDP is focusing on the following areas:

(a) Integrating lessons learned into the planning and design of programmes and projects;

(b) Improving the preparation of procedures and guidelines for projects and programmes;

(c) Establishing measurable goals and indicators for projects;

(d) Developing staff and partner capability for monitoring and evaluation;

(e) Storing and disseminating lessons learned.

V. THE ROLE OF THE OFFICE OF EVALUATION AND STRATEGIC PLANNING

32. The establishment of the Office of Evaluation and Strategic Planning and its location within the Office of the Administrator, reflect the strong commitment of UNDP to implement the initiatives for change endorsed by the Executive Board in its decision 94/14. The integration within OESP of the functions of evaluation and strategic planning reaffirms that evaluation is a critical source of knowledge for enhancing the management, quality and future direction of UNDP programmes.

The Administrator defined the major responsibilities of the Office as:

(a) Developing alternative scenarios and strategies for management on trends likely to affect UNDP;

(b) Strengthening organizational accountability, feedback and learning through programme activities;

(c) Assisting to integrate the various layers in policy formulation and implementation in UNDP.

33. The principal activities of the Office in fulfilling this mandate have been defined around three priority areas:

(a) Integrating evaluation and strategic planning functions;

(b) Supporting the repositioning of UNDP for the future;

(c) Facilitating change in the organization.

34. Several opinion-gathering and policy-oriented components of a comprehensive programme for the analysis, planning and management of change have been initiated since 1992, providing significant strategic information:

(a) Completion of the study "Improving the use of feedback from evaluation findings in UNDP: A summary of issues" (see DP/1994/24, annex II);

(b) Production of "A Charter for Change" by the internal Transition Team; e/

(c) Convening of the UNDP Global Meeting of Senior Staff in Rye (March 21-25 1994);

(d) Preparation of the strategic management package.

VI. ACTIONS TO IMPLEMENT "RETHINKING EVALUATION"

A. Towards a learning culture: the strategic management package

35. One of the most significant elements for facilitating UNDP's intention of becoming a learning organization is the adoption of a strategic management package. The package contains five elements:

(a) Establishing the strategic planning framework;

(b) Defining operational planning in UNDP;

(c) Creating centres of experimentation/agents of change: concepts and criteria;

(d) Improving programme performance assessment;

(e) Monitoring change in UNDP.

36. The strategic management package supports the exercise of rethinking evaluation, and the other major areas contained in the strategic vision, by setting out a framework and outlining the various actions and strategies for change management. This new approach intends to create a dynamic learning culture within UNDP, informed by improved systems of performance assessment and knowledge-sharing, and with an enhanced capability for programme monitoring and evaluation, especially at the country office level.

37. At the centre of institutional change is the recognition of evaluation as a source of critical knowledge in strategic planning and decision-making and thus the contribution it has to make in facilitating the strengthening of the management culture and capabilities, as well as in better positioning UNDP to fulfil its mandate. The process of planning has received full attention and support from the senior management of UNDP, and several important policy decisions to give effect to the strategic vision are being implemented.

B. Integrating lessons into programme and project design

38. The integration of lessons from project and programme evaluation into the formulation and design of activities is receiving priority attention in OESP. Several areas for urgent reform of the current system were already suggested by the feedback survey. These form the basis for OESP's proposed actions. f/ Some activities that are currently under way include:

(a) Developing dynamic feedback tools and methods to communicate lessons and engage debate on their application to current situations. These include briefings to programme staff; presentations to senior management; methodology workshops; video presentations.

(b) Providing training in techniques of drawing relevant lessons from evaluation findings to staff at headquarters and in the country offices. OESP has recognized that this is a demanding undertaking, calling for skills in research and synthesis methods. Ways of addressing this concern are being studied.

(c) Making feedback and learning relevant and useful to partners to help respond to specific needs. g/ In a decentralized operation, it is this potential for direct feedback that adds value to learning, and justifies investment of effort and resources in evaluation and, more fundamentally, in projects and programmes. In this connection, the recommendations of the feedback study particularly stressed the need to build in a pre-appraisal step during the formulation and design stage which would focus on consideration of lessons learned and their implications for future project and programme interventions.

C. Procedures and guidelines

39. Lessons from evaluations will be used to review periodically UNDP procedures and guidelines for programme implementation, in particular those used by the Division for Operational Policies and those procedures in the "Programmes and Projects Manual". A new manual is presently being produced.

40. UNDP has recently issued "Guiding Principles for a Monitoring and Evaluation Methodology in the Context of Programme Approach". In producing the document, UNDP consulted other United Nations agencies within the Inter-Agency Working Group (IAWG) and finalized the document in line with changes and recommendations from the Group. It is expected that the monitoring and evaluation guidelines will provide the means to address programme performance and effects and render a qualitative, as well as a quantitative, assessment based on baseline data, benchmarks and targets.

41. OESP is presently updating "Country Programme Evaluation Guidelines", based on field pilot testing, which will institutionalize the discipline of conducting an evaluation of the country programme at least once per cycle. Each of the field tests are trying out methodologies for assessing programme impact and it is expected that these tests, coupled with the programme impact and performance assessment (PIPA) initiative, will provide a comprehensive set of tools for measuring the effectiveness of country programmes.

D. Establishing measurable goals and indicators for performance assessment

42. The establishment of measurable indicators of impact is one of the most critical components of programme support and project design, and the principal means by which performance can be measured. While indicators and standards will vary in different contexts, learning from programme and project evaluations assist in refining the selection of indicators and in setting standards of success in different sets of circumstances.

43. The PIPA system, currently being developed by OESP, constitutes a framework for introducing performance assessment into UNDP. Intended for managers, it will enable them to clarify objectives, measure performance and analyse the results of their programmes by setting realistic targets with precise outcomes expected. OESP sets a high priority in advancing the establishment of the PIPA system in 1995 and testing it in centres of experimentation together with other development partners working on similar efforts.

44. In the field of harmonization of monitoring and evaluation systems amongst Joint Consultative Group on Policy (JCGP) members, a paper issued by UNFPA and presented at the last IAWG meeting in October 1994, revealed that a great deal of harmonization has already been achieved, especially with regard to terminology, emphasis and institutional framework. The harmonization attempt is an ongoing process and further achievements will be discussed amongst JCGP members on a continuing basis.

E. Developing UNDP capability for evaluation

45. Training in evaluation methodology is important for staff at headquarters and especially for the staff in country offices who have the responsibility for collaborating with partner Governments in programme planning. As UNDP advances in its policies of decentralization and of national execution of programmes, staff training will also increasingly be targeted at strengthening national capacity.

46. OESP plans to conduct training programmes in 1995 in the areas of project design and evaluation and the preparation of baseline data that constitute the basis for performance assessment. These programmes are intended to develop skills in managing varied models and techniques of monitoring and evaluation, such as participatory research and rapid appraisal, techniques which give Governments and partner communities tools to monitor progress and identify results that might warrant early correction or shifts in emphasis. Particular attention, especially at the level of country offices, will be given to techniques that identify and assess cause and effect links between project activities and results, to facilitate drawing meaningful conclusions and lessons for national ownership.

F. Strengthening partner capability

47. The development of capability for evaluation is inherent to the mission of UNDP and is an essential component of partnership. Specific projects, especially large-scale, long-term or multi-phased projects, will make provision, as part of the operating budget, for developing the capability of partners to evaluate the projects in which they are involved. Training activities will be provided for public sector institutions at the level of central and local Governments, and should be encouraged as well for institutions of civil society such as non-governmental and community organizations.

48. Creating and strengthening national capability has been included among the goals of UNDP because it is an essential factor underlying successful execution. UNDP has assisted Governments to strengthen their monitoring and evaluation capability through seminars, study tours, and the publication of a monograph series on government monitoring and evaluation systems. The monograph series is under review to determine impact and relevance. Based on the findings of the review, a decision on the nature of publications and study tours will be taken. The three regional seminars/training workshops on monitoring and evaluation that OESP plans to conduct in 1995 will include government counterparts. Additionally, the evaluation of the national execution process is expected to provide answers to some important questions about the accountability of the Administrator, the impact of self-reliance and the optimal use of United Nations specialized agencies through the national execution modality.

G. Dissemination of "Lessons learned"

49. The "Guidelines for Evaluators" provides an enormous amount of useful data, which is held in CEDAB, the evaluation database of OESP. However, much of this, even when analysed, remains raw data, and there is no consistent mechanism for translating individual project-specific findings into generic lessons. OESP has begun an option analysis on how better to explore the data and make it available to a broader public. A limited bulletin, "Feedback", which was previously produced on an intermittent basis is now discontinued. A new, regular series on "Lessons learned" will be launched in 1995, as well as an "Annual review of projects evaluated". The first volumes of "Lessons learned" will be on human settlements and on the energy sector.

VII. THE WAY AHEAD

50. OESP proposes a number of priority actions during 1995. Specific activities include:

(a) Reviewing, in coordination with the relevant operational units, the policy procedures and operational mechanisms used in programme support, project design and monitoring and evaluation. The principal aim of this review is to improve the design with regard to impact measurement. This review will interlink various methodological documents already prepared, namely: "Guiding Principles for a Monitoring and Evaluation Methodology in the Context of the Programme Approach"; "Guiding Principles on Capacity Development"; "Case Study on Participatory Evaluation"; "Country Programme Evaluation Experiment in Sri Lanka";

(b) Upgrading the experimental training modules used by country offices and partner Governments for improving capabilities in new evaluation techniques;

(c) Pursuing the development of the PIPA system, for which an initial pilot project is currently under way at the country office level in Viet Nam with the cooperation of the national Government. It is proposed to expand this phase of testing through other centres of experimentation;

(d) Facilitating the decentralization initiative which, under OESP supervision, has been revised to comprise the following six components: project appraisal and approval system; country office review and reporting system; UNDP planning and budgeting system; programme performance assessment system; evaluation feedback system; country office consultant management and service procurement system. The decentralization project will be launched at a meeting scheduled for February 1995, where participants will set priorities and agree on a calendar for completing the six components. Priority will be given to project design. At this meeting, the relationship amongst the decentralization components, the integrated programme management initiative and the strategic management package will be established;

(e) Continuing to explore innovative ways of linking evaluation and strategic planning, mainly through the preparation of concept papers on

evaluation success and performance assessment, as well as through strategic evaluations;

(f) Continuing to collaborate with other international agencies in promoting dialogue and exchanges on development and particularly on evaluation. The Inter-Agency Working Group will continue to serve as an important forum for this area of activities;

(g) Working to ensure a closer correlation between organizational planning, unit plans and individual work plans that will introduce clear performance measures relating to compliance, including in the conduct of evaluations by headquarters units and country offices. The ongoing monitoring and assessment of compliance rates will be overseen by OESP using tools such as unit work plans and country programme management plans;

(h) Inviting Members of the Executive Board, particularly those with which it has established a close dialogue on evaluation issues, to explore the feasibility of participating along with OESP in the implementation of these activities, or other joint measures, that can carry forward the task of rethinking evaluation and establishing sound systems of learning for better implementing the development goals of UNDP and its partners.

Notes

a/ See DP/1994/24, annex II, entitled: "Improving the use of feedback from evaluation findings in UNDP: A summary of issues". This study was conducted in late 1993 by three external consultants through extensive interviews in UNDP Headquarters, and visits with eight United Nations agencies, four donor agencies, the World Bank and nine Country Offices.

b/ From the results of a questionnaire on UNDP's Monitoring and Evaluation system sent to 125 UNDP country offices and 72 programme staff in headquarters. It is significant to note that while only 27 headquarters staff (35.5 per cent) responded, country office response was strong, with returns from 104 offices (80.4 per cent) received before the deadline.

c/ UNDP: "Guidelines for Evaluators" (including the Project Evaluation Information Sheet), issued in 1993 by the Central Evaluation Office, now OESP. OESP will update these guidelines to ensure their relevance to the new approaches to evaluation being developed.

d/ "Capacity Development: Lessons of Experience and Guiding Principles", UNDP, December 1994.

e/ UNDP: "A Charter for Change; Part I - Vision and Goals; Part II - Management Challenges", October 1993.

f/ See DP/1994/24, annex II.

g/ The survey noted that while Governments participate extensively (92 per cent) in UNDP monitoring and evaluation activities, government personnel respondents were neutral in their judgement of the value of procedures. When they were not neutral, Governments criticized UNDP procedures more often than they praised them.

Appendix

Major Initiatives Action Plan

Action	Target date
In-house presentation of the strategic management package	January 1995
Finalize the prioritized components under the decentralization initiative	February 1995
Analyse options for the wider dissemination of the Central Evaluation Database (CEDAB)	March 1995
Produce country programme evaluation guidelines	April 1995
Disseminate annual review of project/programme evaluations	April 1995
Review policy and operational procedures in programme support, project design and monitoring and evaluation mechanisms	May-September 1995
Conduct three regional seminars/training workshops on monitoring and evaluation	May/June, September/October, November/December 1995
Launch new series on "Lessons learned"	June 1995
Review monitoring and evaluation component of Programme and Projects Manual	July-October 1995
Prepare training modules for upgrading national capability in new evaluation techniques	September 1995
Test PIPA in centres of experimentation	December 1995